

THE PRESIDENT'S INTELLIGENCE REVIEW

ISSUED BY THE
CENTRAL INTELLIGENCE AGENCY

21-24 JANUARY 1964

~~TOP SECRET~~

24 January 1964

1. Cyprus: The situation continues to worsen. The bomb explosions yesterday in Nicosia will inflame passions and increase the danger of a general breakdown in security.

British authorities on the island say mediation between Greek and Turkish Cypriots is becoming increasingly difficult. Both sides are stepping up their efforts to acquire arms.

George Grivas, leader of the Greek Cypriot underground prior to the island's independence, may soon challenge Makarios' leadership.

Within the Turkish Cypriot community, Vice President Kuchuk appears to be losing control to a committee of irregulars.

Our ambassador in Athens comments that, while the Greek military leaders appear to realize the catastrophic consequences of war between Greece and Turkey, they seem determined to risk it if Turkey sends more troops to Cyprus or if the Turkish contingent presently on the island attacks the Greek Cypriots.

(Cont'd)

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There has been no progress in the London talks though the British have introduced a compromise plan which may at least prevent its early collapse.

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2. East Africa: The unrest among Tanganyikan troops has spilled over into neighboring Uganda.

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Prime Minister Obote immediately called for help from the British, and a contingent was airlifted from Kenya.

In Tanganyika President Nyerere is looking more like a front man for Kambona every day. Latest word is that the situation has fallen apart again over new difficulties in negotiations with the mutineers. Nyerere is considering a request for British intervention.

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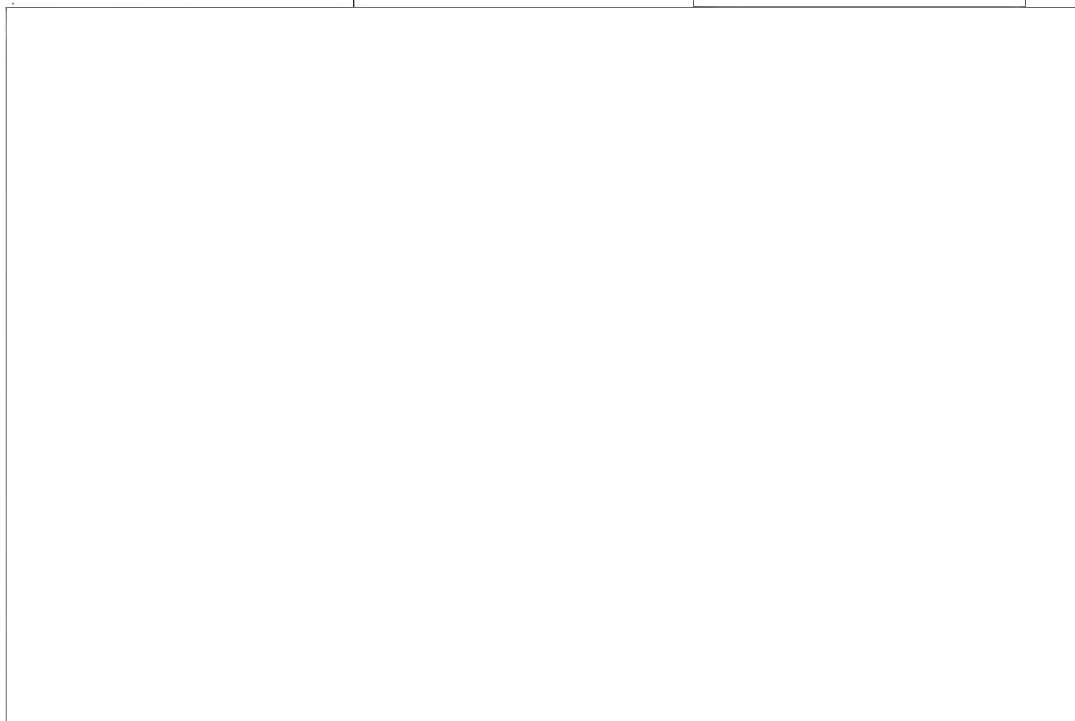
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3. **Indonesia:**



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4. **France-China:** The announcement of French recognition of Communist China can be expected at any moment. It may include a reference to the exchange of ambassadors.

To smooth the path for such an exchange, Paris is counting on Taipei to break relations. Chiang Kai-shek's present intent is to sever relations as soon as the French make their announcement.

5. USSR-Cuba: Embassy Moscow thinks the Soviets came out on top in their recent joust with Castro--using a long-term sugar agreement to keep him sweet. They got Cuban endorsement of major Soviet foreign policy positions and of the Soviet side of the Sino-Soviet dispute.

However, Moscow is probably keeping its fingers crossed knowing full well that it is harder to keep Castro cool in Cuba than in Russia.

The embassy thinks Soviet handling of Castro reflects concern not to acerbate US-Soviet relations and to restrain Castro from inflaming the Latin American situation.

6. Saudi Arabia - Egypt: Faysal says he is willing to discuss Yemen with the Egyptians, but we have yet to see any give in either his or Nasir's position on the crucial question of Egyptian troop withdrawal.

7. Arab Conference: The Arab chiefs of state at their recent meeting worked out a counter to the forthcoming Israeli diversion of the Jordan River. They allocated about \$12 million to meet the immediate costs of a plan to cut off some of the Jordan's headwaters.

While the Arab plan may be technically feasible, it does not look so hot politically. Neither Lebanon nor Jordan is enthusiastic about antagonizing the Israelis, and instability in Syria could deter work on the project itself. Moreover, there would be substantial difficulties in raising the large funds required for the full costs of a complete diversion scheme.

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8. Syria: Military officers plotting against
President Hafiz

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9. Panama: President Chiari remains under strong
compulsion to secure a complete revision of the
canal agreements with the United States. The Com-
munists and pro-Castro elements, as well as politi-
cians looking toward national elections in May, are
all at work to keep feeling inside the country
stirred up.

If the growing economic and political pressures
on Chiari are not alleviated soon, he may resign or
be ousted.

10. Ecuador: Student groups are cooking up a large
antigovernment demonstration to provoke the security
forces.

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11. **Bolivia:** [redacted] plot-
[redacted] ting a coup. [redacted]
- [redacted]

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12. **Haiti:** It turns out that the "four problems" in Haitian-US relations mentioned by Duvalier on receiving Ambassador Timmons credentials last week are four embassy officials. Haiti has been trying to get us to withdraw three of them for some time now.

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